Gas Limited (MGL) and Indraprastha Gas Limited (IGL), Joint Venture companies of GAIL (India) Limited, are supplying Piped Natural Gas (PNG) to 1.70 lakh and 9167 households/hotels in Mumbai and Delhi respectively. Gujarat Gas Company Limited (GGCL), in Gujarat, Assam Gas Company (AGCL) in Assam and Tripura Natural Gas Company Limited (TNGCL) in Tripura are also supplying PNG in some cities in those States in a limited manner.

(b) and (c) TNGCL, a joint venture company of AGCL and Tripura Industrial Development Corporation (TIDC), has taken up a city gas distribution project in Agartala for supplying PNG. An allocation of 0.1302 Million Standard Cubic Meters Per Day (MMSCMD) has been made for the project and GAIL has already laid pipeline upto city gate. TNGCL is supplying PNG to only around 3000 domestic/commercial consumers with limited revenue generation.

Impact of Natural Gas import on supply

2966. SHRI NANA DESHMUKH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government had to cut natural gas supplies to several industrial units in the capital city;

(b) whether it is also a fact that Government propose to import natural gas from Qatar;

(c) if so, whether the industrial units would get their original quota of natural gas; and

(d) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) and (b) Yes, Sir.

(c) and (d) Petronet LNG Limited (PLL) a Joint Venture Company promoted by GAIL (India) Limited (GAIL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Oil & Natural Gas Corporation Limited (ONGCL) is constructing an LGN terminal at Dahej in Gujarat for 5 Million Tonnes Per Annum (MMTPA) capacity.

Supplies of Re-gassified LNG from Dahej LNG Terminal is scheduled to commence from 1st quarter of 2004. GAIL is approaching various consumers including industries in and around Delhi for supply of re-gassified LNG at market determined prices.

Subsidy on LPG and Kerosene

2967. SHRI SURESH PACHOURI : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the subsidy on LPG and Kerosene distributed through the PDS network during 2002-2003 and projections for 2003-2004;

(b) whether Government propose to phase out these subsidies;

(c) if so, the details thereof; and

(d) the details of steps taken to minimize cost of production of LPG and Kerosene?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) to (c) The Government proposes to phase out the subsidy on domestic LPG and PDS Kerosene in three to five years effective 1-4-2002. The estimated subsidy on these products during 2002-2003 and projection for 2003-04 are as follows:

(Rs./crore)

Product	2002-03	2003-04	
		3 year phasing out	5 year phasing out
Domestic LPG	3691	2772	3326
PDS Kerosene	3018	1947	2336

(d) The PSU oil companies continuously monitor the overall cost of production of petroleum products including LPG and Kerosene and undertake several control measures which *inter alia* include zero based budgeting, inventory control, optimum utilization of utilities, technical audit for control of chemicals/catalysts consumption, minimizing the manpower cost, energy conservation measures etc.